

## Employer FAQ

### What is employer charging?

Employer contributions are what fund the South Carolina Unemployment Insurance Trust Fund. The trust fund is what pays out benefits to individuals who lose their job through no fault of their own.

Benefits paid to an individual are charged to an employer's account quarterly. These charges, as a ratio of taxable wages paid by the employer, (also called an experience rating or benefit ratio) are used to determine the future rate class of contributory employers.

### How long were employers not charged for COVID-19 related layoffs?

Employers' accounts were not charged for COVID-19 related layoffs from claim week ending March 14, 2020 – claim week ending June 12, 2021. However, during this period, employers were charged for any unemployment claim that was not identified as COVID-19 related.

### How does employer charging impact what an employer pays in contributions?

An employers' experience rating is based on their usage of the Unemployment Insurance (UI) program calculated as benefits charged against the account, divided by taxable wages paid during a 12-quarter period. The more layoffs a business has, the higher their experience rating. Businesses with the highest experience ratings pay the highest tax rates while those with no benefit charges in the last 12 quarters are assigned to the lowest tax rate class. However, in March 2020, DEW announced that employers' experience rating would not be negatively affected by any COVID-19 related layoffs.

### What does this mean for me as an employer?

Effective claim week ending June 19, 2020, you will be charged for any unemployment insurance claims that are found eligible under your account. Employers should carefully review all quarterly charge statements that they receive from the agency to ensure accuracy of benefit charging. For information on how to protest any inaccurate charges on a quarterly charge statement, visit <https://www.dew.sc.gov/employers/how-protest-benefit-charges>.

### What is the waiting week?

Before a claimant is eligible to receive benefits, they must be unemployed for a one-week period. This requirement is to determine accuracy and eligibility of a claim and allow the claimant a chance to return to work quickly without needing UI benefits. .

### Why was the waiting week waived?

In order pay claims as quickly as possible in response to the pandemic job losses and in recognition of the state of the labor market at the time, the agency waived the waiting week effective claim week ending March 21, 2020.

### Where can I find more information on this announcement?

You can read additional information here <https://www.dew.sc.gov/covid-19-resources/covid-19-resources-employers>.